GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1033
ANSWERED ON:24.11.2000
DUMPING OF CHINESE GOODS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether domestic goods made by China are being sold in the Indian markets at cheaper prices as compared to indigenous goods;

(b) if so, whether business community of India is compelled to make imports of Chinese goods legally or illegally in view of the heavy demand of such goods in domestic market;

(c) if so, whether domestic industry is on the verge of closure due to dumping of cheaper Chinese products;

(d) if so, whether China is exporting goods legally or illegally to India despite not being a member of World Trade Agreement Organisation;

(e) if so, the reaction of the Government thereto;

(f) the items exported/ being exported to India by China for the last three years, their values and the impact of the same on Indian industries;

(g) the action taken/ being taken against traders/ importers involved in import of such cheaper goods from China; and
(h) the steps taken/ proposed to be taken to safeguard the interests of Indian Small Scale Industries?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH)

(a) to (c) : Information has been received by the Government concerning unfair trade practices leading to imports of cheap consumer goods from China causing injury to the domestic industry.

(d) & (e): The fact that China is not a member of WTO does not debar it from trading with India.

(f) : The major categories of commodities imported from China since 1998-99 are given below:

Sl. No.	COMMODITY CATEGORY	VALUE IN Rs. (CRORE)		
		1998-99	99-2000	2000-2001 (Apr-Jul)
1	Pharmaceuticals, Chemicals & Petrochemicals	1405.13	1412.52	507.46
2	Machinery, Electronics & Other Equipment	1104.15	1202.81	454.64
3	Metals, Minerals & Ores	228.25	1210.00	379.01
4	Fabrics & Related Items	500.10	672.90	165.62
5	Agricultural Products	63.49	290.54	64.02
6	Others	391.53	252.28	147.28
	GRAND TOTAL	4424.70	5041.05	1718.03

(g) & (h): The Designated Authority appointed by the Government conducts Anti-Dumping investigations in India under Sections 9 A, 9 B and 9 C of the Customs Tariff (Amendment)Act, 1995. According to the Anti-Dumping Rules, initiation of Anti-Dumping investigations is undertaken when the domestic industry files a fully documented petition to the Designated Authority with prima facie evidence of dumping, injury and causal link between the dumping of the imported goods and injury to the domestic industry. However, under Rule 5 (4) of the Customs Tariff Rules of 1995, the Designated Authority may initiate investigations suo- moto, if it is satisfied

with the information received from the Collector of Customs appointed under the Customs Act, 1962 or from any other source that sufficient evidence exists regarding dumping of the foreign goods, material injury to the domestic industry and causal link between the two.

The Directorate General of Anti-Dumping & Allied Duties has recommended final duty in 25 cases against China. Provisional duty has been recommended in 3 cases against China and 6 cases initiated against China are under investigation for Preliminary findings. Of these six cases the Designated Authority has initiated suo- moto investigations in 3 cases. Dry Battery, Toys and Sports Shoes.